



North Carolina Department of Health and Human Services

**DIVISION OF CHILD DEVELOPMENT**

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**SUBSIDIZED CHILD CARE SERVICES ADMINISTRATIVE LETTER No. 01 – 11**

**TO:** Directors of County Departments of Social Services  
Directors of Local Purchasing Agencies

**FROM:** Deborah J. Cassidy, PH.D. 

**ISSUED:** March 2, 2011

**SUBJECT:** Title IV-E Fund Child Care Requirements for Children in Foster Care

**EFFECTIVE DATE:** March 1, 2011

During the 1990's, the Division of Child Development used Title IV-E funds to pay for subsidized child care for foster care cases. We made the decision to discontinue this fund source to pay for child care services for foster parents due to insufficient documentation required to support claims.

Based on recent research conducted by Public Consulting Group (PCG), Title IV-E funds will be used to pay for child care to support the employment needs of foster care parents effective March 1, 2011. In foster care cases where there are two parents in the licensed foster care home, both parents must be employed to access Title IV-E funds. For all other child care needs of one or two parents in licensed foster care homes, other fund sources will be accessed. For example, other funds sources would be used when two parents of a licensed foster care home need care to support education and employment and current eligibility requirements are met.

**Requirements for Foster Care Parents**

It is important that child care staff follow the instructions in this letter so that Title IV-E funds are applied correctly to support the employment of one parent or two parent foster care homes. Child care staff are required to verify and document in the case record the following information.

- Name of employer for each parent.
- Work schedule of each parent, including the days and hours of employment to develop the plan of care.

The child care worker does not have to verify the foster parent 's income. Furthermore, pay stubs are not required for the case record to access Title IV-E funds.

**NOTE:** the requirements for Title IV-E apply only to foster care cases that meet the requirements in this letter and no other need category.

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Please distribute this letter to your child care staff and all other agency staff that work with the child care program. A copy of this letter must be maintained in your agency's Subsidized Child Care Services Manual. If you have questions about the requirements for employed foster care parents that need child care, please contact your Subsidy Services Consultant. We thank you for your diligence in providing accurate and up-to-date information on the families we serve.

DC:CM

cc: Child Care Coordinators  
Subsidy Services Consultants  
Program Compliance Consultant